

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

RETAIL ACCESS OPTIMIZATION INITIATIVE, 2011

Docket No. N2011-1

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS BOLDT
TO VALPAK INTERROGATORIES VP/USPS-T1-4 AND 12**

The United States Postal Service hereby provides the responses of witness Boldt to the above-listed interrogatories of the Valpak Direct Marketing Systems, Inc. and Valpak Dealers' Association, Inc. dated August 30, 2011. Each interrogatory is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS BOLDT
TO VALPAK INTERROGATORY OF**

VP/USPS-T1-4.

Please refer to USPS-T-1, pp. 15-16, where you state that “the Postal Service established a two-hour earned workload minimum, which is the number of hours per day that the lowest EAS grade Post Offices are open for retail business.”

- a. During FY 2010, what was the **average annual revenue** and **maximum annual revenue** earned by an office with such a two-hour earned workload minimum?
- b. Please provide the Postal Service's best estimate of the **average annual cost** to operate an office with such a two-hour earned workload minimum?
[Emphases in original from Val Pak.]

RESPONSE:

See the response to VP/USPS-T1-12(a).

- (a) Average annual retail revenue: \$21,476.
Maximum annual retail revenue: \$367,688.
- (b) Average total operating expense: \$76,902.

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VP/USPS-T1-12.

Please refer to USPS-T-1, pp. 15-16, where you state that “the Postal Service established a two-hour earned workload minimum, which is the number of hours per day that the lowest EAS grade Post Offices are open for retail business.”

- a. During FY 2010, what was the total number of Postal Service **offices** with a two-hour earned workload minimum?
- b. During FY 2010, what was the total number of Postal Service **employees** assigned to those offices with a two-hour earned workload minimum?
- c. During FY 2010, how many, or what percentage, of those employees assigned to offices with a two-hour earned workload minimum were full-time employees, and how many, or what percentage, worked less than full time?
- d. If your answer to preceding part b is that some retail facilities open only two hours per day had full-time employees, please provide a brief explanation of what those employees do during the other hours of the day when the office is not open for retail business.

RESPONSE:

- (a) 4823. Bear in mind that the RAO Initiative focuses on approximately 2800 of those post offices that meet certain revenue thresholds.
- (b) 8909.
- (c) 32 percent and 68 percent, respectively.
- (d) (a) 4823. Bear in mind that the RAO Initiative focuses on approximately only 2800 of those post offices that meet certain revenue thresholds.
- (b) 8909.
- (c) 32 percent and 68 percent, respectively.
- (d) The question appears to confuse two hours of earned workload at a given location with two hours of retail service being made available to the public at that location. No employees in offices open only two hours per day worked more than two hours per day at those offices. If the question is seeking to determine whether there are some Postmasters at these low

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RESPONSE to VP/USPS-T1-12 (continued):

earned workload offices who are employed for more hours per day than is supported by the retail hours and administrative workload associated with such offices, the answer is affirmative.